



Department of Justice

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**JUSTICE DEPARTMENT FILES ANTITRUST SUIT CHALLENGING
COMMON OWNERSHIP OF ARKANSAS NEWSPAPERS**

WASHINGTON, D.C. -- The Department of Justice's Antitrust Division filed suit today to block the common ownership of the two local daily newspapers serving the Fayetteville/Springdale metropolitan area in Arkansas. The government asserted that the common ownership would lead to higher newspaper prices and advertising rates as well as lower quality.

The civil antitrust suit was filed against D.R. Partners, which does business as Donrey Media Group, and NAT L.C., which operate respectively, the Morning News of Northwest Arkansas and the Northwest Arkansas Times. Both papers serve the Fayetteville/Springdale metropolitan area. These two daily newspapers are each other's primary competitor in the sale of local daily newspapers and in the sale of local newspaper advertising.

Both NAT L.C., headquartered in Little Rock, Arkansas, and D.R. Partners, headquartered in Fort Smith, Arkansas, are owned by substantially the same Stephens family trusts. The Antitrust Division alleges that since both newspapers are owned and

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controlled by the same family trusts and are each other's primary competitor, combining them under common ownership and control would cause serious anticompetitive concerns.

In announcing the Department's opposition to the combination, Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "Unless this transaction is blocked, the vigorous competition that has existed between these two newspapers for readers and advertisers will be substantially reduced or eliminated. That means the citizens of Fayetteville and Springdale will pay higher prices for their newspapers, and local businesses will pay higher advertising rates for their advertisements. Overall, we expect that there will be lower quality newspapers and advertising services."

On February 6, 1995, Thomson Newspapers sold the Northwest Arkansas Times to NAT L.C.

On February 8, pursuant to a private antitrust suit, the U.S. District Court in Fayetteville, Arkansas, granted what is called a hold separate order, which requires the owners to maintain the papers separately until there is a full trial on the merits of the private suit. The trial in the private suit is scheduled to begin on April 3, 1995.

The Department's suit was filed in U.S. District Court in Fayetteville, Arkansas. The Department has asked that its suit be consolidated with the pending private suit.

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